



DEPARTMENT OF COMMERCE

Bureau of Economic Analysis

Proposed Information Collection; Comment Request; Direct Investment Surveys: BE-15, Annual Survey of Foreign Direct Investment in the United States

AGENCY: Bureau of Economic Analysis, Department of Commerce.

ACTION: Notice.

SUMMARY: The Department of Commerce, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995.

DATES: Written comments must be submitted on or before [insert date 60 days after publication].

ADDRESSES: Direct all written comments to Jennifer Jessup, Departmental Paperwork Clearance Officer, Department of Commerce, Room 6616, 14th and Constitution Avenue, NW., Washington, DC 20230, or via e-mail at PRAComments@doc.gov.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection instrument and instructions should be directed to Patricia Abaroa, Chief, Direct Investment Division (BE-49), Bureau of Economic Analysis, U.S. Department of Commerce, 4600 Silver Hill Rd, Washington, DC 20233; or via e-mail at Patricia.Abaroa@bea.gov.

SUPPLEMENTARY INFORMATION:

I. Abstract

The Annual Survey of Foreign Direct Investment in the United States (BE-15) obtains

sample data on the financial structure and operations of foreign-owned U.S. business enterprises. The data are needed to provide reliable, useful, and timely measures of foreign direct investment in the United States to assess its impact on the U.S. economy. The sample data are used to derive universe estimates in nonbenchmark years from similar data reported in the BE-12 benchmark survey, which is conducted every five years. The data collected include balance sheets; income statements; property, plant, and equipment; employment and employee compensation; merchandise trade; sales of goods and services; taxes; and research and development activity for the U.S. operations. In addition to these national data, several data items are collected by state, including employment and property, plant, and equipment.

The survey, as proposed, incorporates two changes that were made to the 2017 BE–12, Benchmark Survey of Foreign Direct Investment in the United States and seven new proposed changes. The following two questions that were added to the 2017 benchmark survey will be added to the BE-15 survey:

(1) a question on the BE-15A form asking whether a recent Financial Accounting Standards Board (FASB) update on the treatment of leases affected the statistics collected on the survey; the question will also collect information to measure the impact on the respondent’s reported data; and

(2) a question on the BE-15C form to collect the state in which each affiliate is located, improving estimation of employment and property, plant, and equipment by location for smaller entities reporting on this abbreviated form.

Other proposed changes are:

(1) The balance sheet and income statement sections will be modified to separately collect the investment in and income from a) “unconsolidated U.S. affiliates” and b) “foreign

entities,” which are currently collected together on the BE-15A form. This will assist in ensuring complete coverage of unconsolidated U.S. affiliates and in better aligning the BE-15 survey data with other direct investment surveys.

(2) A question will be added to collect the city of each foreign parent and ultimate beneficial owner (UBO) on all forms. This will be used to validate the countries of foreign investors and provide additional information on the location of investors.

(3) Supplements A and B, which collect identification information on business enterprises owned by the U.S. affiliate, will be modified on all BE-15 forms to offer more options in the multiple-choice question asking the reason that the U.S. business enterprises changed since the last report, such as options for “acquired” or “established” if an enterprise is being reported on a supplement for the first time. A follow-up question will be added requesting the date of the transaction for new enterprises. This information will aid in referring entities to BEA’s other surveys of foreign direct investment in the United States.

(4) The commercial property column will be removed from the state schedule of the BE-15A and BE-15B forms. Respondents have been confused by this concept, which can vary by state or industry, and have indicated that the information may not be readily available from their records.

(5) The administrative office and other auxiliary employees item will be removed from the BE-15B form to ease respondent burden. Data from the BE-15A form can be used to estimate this item for BE-15B form respondents.

(6) The BE-15 Claim for Exemption form will be modified to combine items 2(a) and 2(b), which cover exemptions for U.S. business enterprises that are no longer foreign owned. The same information can be obtained from one question.

(7) The BE-15A form will be modified to combine the questions on direct ownership held by “all other U.S. persons” and “all other foreign persons.” This breakout is not used and the new combined item will be consistent with the BE-15B form.

The exemption level for reporting on the proposed survey is unchanged from the 2016 BE-15 survey.

II. Method of Collection

BEA contacts potential respondents by mail in March of each year; responses covering a reporting company’s fiscal year ending during the previous calendar year are due by May 31 (or by June 30 for respondents that file using BEA’s eFile system). Reports are required from each U.S. business enterprise in which a foreign person has at least 10 percent of the voting stock in an incorporated business enterprise, or an equivalent interest in an unincorporated business enterprise, and that meets the additional conditions detailed in the BE-15 forms and instructions. Entities required to report will be contacted individually by BEA. Entities not contacted by BEA have no reporting responsibilities.

BEA offers electronic filing through its eFile system for use in reporting on the BE-15 annual survey forms. In addition, BEA posts all its survey forms and reporting instructions on its web site (www.bea.gov/fdi). These may be downloaded, completed, printed, and submitted via fax or mail.

Potential respondents of the BE-15 are selected from those U.S. business enterprises that were required to report on the 2017 BE-12, Benchmark Survey of Foreign Direct Investment in the United States, along with those U.S. business enterprises that subsequently entered the direct investment universe. The BE-15 is a sample survey; universe estimates are developed from the reported sample data.

III. Data

OMB Control Number: 0608-0034.

Form Number: BE-15.

Type of Review: Regular submission.

Affected Public: Business or other for-profit organizations.

Estimated Number of Respondents: 5,700 annually, of which approximately 2,300 file A forms, 1,600 file B forms, 1,300 file C forms, and 500 file Claim for Exemption forms.

Estimated Total Annual Burden Hours: 112,350 hours. Total annual burden is calculated by multiplying the estimated number of submissions of each form by the average hourly burden per form, which is 44.75 hours for the A form, 3.75 hours for the B form, 2.25 hours for the C form, and 1 hour for the Claim for Exemption form.

Estimated Time per Respondent: 19.7 hours per respondent (112,350 hours / 5,700 respondents) is the average, but may vary considerably among respondents because of differences in company size and complexity.

Estimated Total Annual Cost to Public: \$0.

Respondent's Obligation: Mandatory.

Legal Authority: International Investment and Trade in Services Survey Act (P.L. 94-472, 22 U.S.C. 3101-3108, as amended).

IV. Request for Comments

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Agency, including whether the information will have practical utility; (b) the accuracy of the Agency's estimate of the burden

(including hours and cost) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Sheleen Dumas,

Departmental Lead PRA Officer, Office of Chief Information Officer.

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